NEWSPAPER

# Advertising Age

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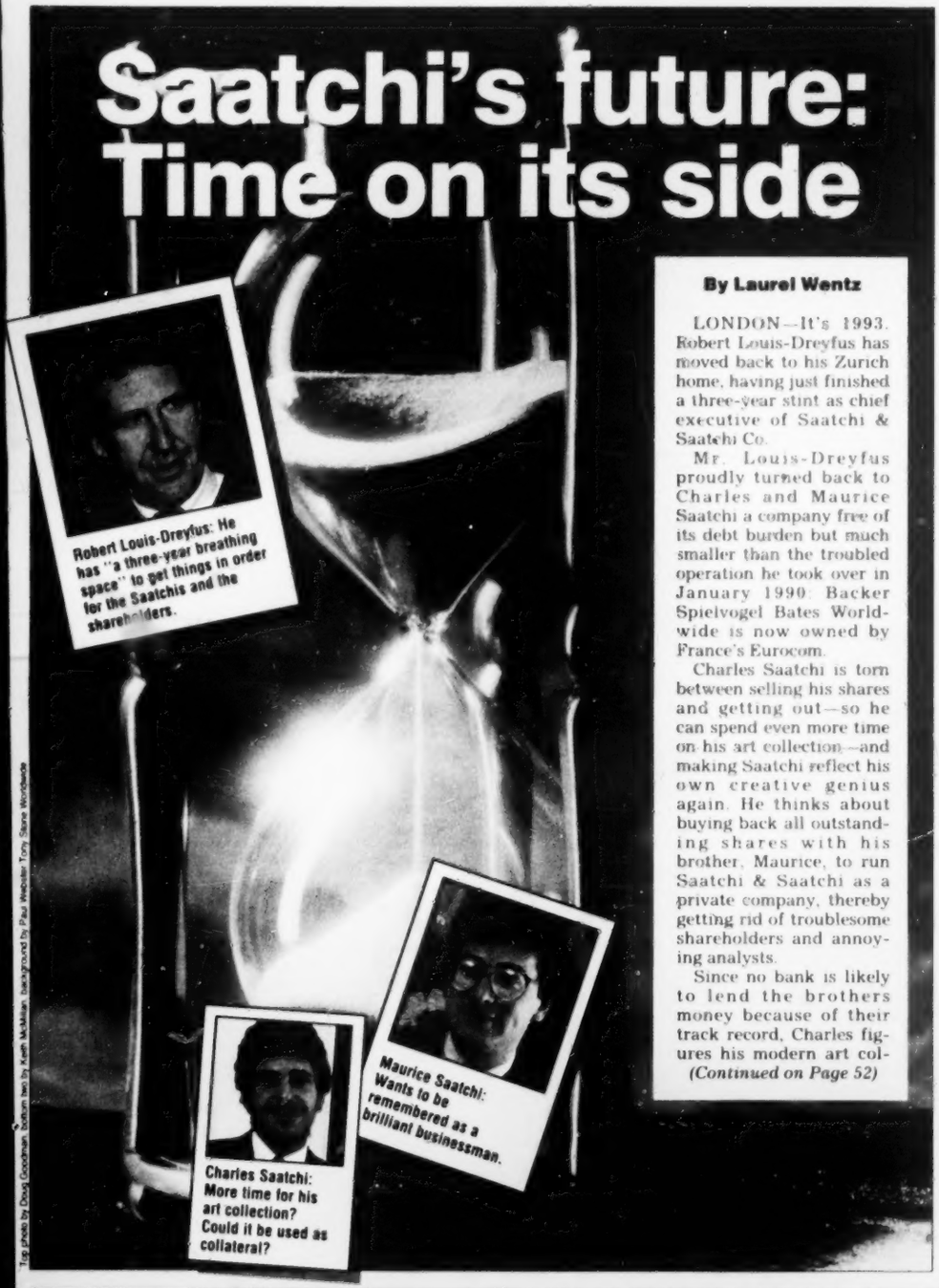
# Saatchi's future: Time on its side



Robert Louis-Dreyfus: He has "a three-year breathing space" to get things in order for the Saatchis and the shareholders.

Maurice Saatchi: Wants to be remembered as a brilliant businessman.

Charles Saatchi: More time for his art collection? Could it be used as collateral?

Top photo by Doug Goodman. Bottom two by Keith McMillan. Background by Paul Webster Tony Stone Worldwide

**By Laurel Wentz**

LONDON—It's 1993. Robert Louis-Dreyfus has moved back to his Zurich home, having just finished a three-year stint as chief executive of Saatchi & Saatchi Co.

Mr. Louis-Dreyfus proudly turned back to Charles and Maurice Saatchi a company free of its debt burden but much smaller than the troubled operation he took over in January 1990. Backer Spielvogel Bates Worldwide is now owned by France's Eurocom.

Charles Saatchi is torn between selling his shares and getting out—so he can spend even more time on his art collection—and making Saatchi reflect his own creative genius again. He thinks about buying back all outstanding shares with his brother, Maurice, to run Saatchi & Saatchi as a private company, thereby getting rid of troublesome shareholders and annoying analysts.

Since no bank is likely to lend the brothers money because of their track record, Charles figures his modern art col-

*(Continued on Page 52)*

# Qantas' $40M account set for review

**By Geoffrey Lee Martin**

SYDNEY—Qantas Airways Australia's international airline, plans to call for bids worldwide on its estimated $40 million ad account once Chiat/Day/Mojo's contract expires next May.

The available agency field would be a narrow one. Qantas requires a multinational shop with offices in at least 25 specific cities in the U.S., Europe, Asia and the Pacific as well as Australia—and, of course, no conflicting airline account.

A short list is yet to be chosen, said Ken Boys, media relations manager for Qantas, but Chiat "will definitely" be included in a "normal review."

Qantas is wholly owned by the Australian government but is run by an independent board. Although government units often put new contracts out for bid, it isn't required by law in this case and this agency review isn't considered routine, said one Chiat source in the U.S.

"We've been officially aware of Qantas' intention to put the account into review in the summer of 1991 for several months now," said a Chiat spokesman in New York.

"Qantas is one of our oldest and

*(Continued on Page 53)*

# McD's sizzles with new ideas

**By Scott Hume**

McDonald's Corp. is pursuing an aggressive, two-pronged strategy to regain sales momentum.

The No. 1 restaurant chain is opening itself to previously unimaginable changes with what one analyst called "an increased sense of urgency" about its competitive position.

With real per-store sales flat or down for eight straight quarters, according to stock analysts, McDonald's is in the unaccustomed position of looking for ways to grow.

One indication the fast-food giant will consider almost anything in its search for answers: the testing of Golden Arch Cafe, a '50s-style diner that doesn't carry the McDonald's name, opened last month in Hartsville, Tenn.

So too is the near-frantic pace at which it's testing new menu items at McDonald's outlets.

"I think there's a new attitude at McDonald's. They've opened the floodgates to experimentation and [are] determined to be less bureaucratic, less prone to wait five years on new products," said Ron Paul, president of restaurant consultancy Technomic.

"Still, why they want to try a noisy diner concept, I don't know," he said. "It's very strange. It's something you'd have bet they

*(Continued on Page 53)*

## LAST MINUTE NEWS

### CNN, WTBS get shops

ATLANTA—Turner Broadcasting System assigned Cable News Network to Levine, Huntley, Schmidt & Beaver, New York, and WTBS-TV to Tracy-Locke, Dallas, both from in-house. CNN spending is estimated at $10 million; WTBS gets $5 million to $6 million.

### Will 'Memories' live on?

NEW YORK—The end could be near for Diamandis Communications Inc.'s *Memories*. Mortimer Zuckerman, chairman of *U.S. News & World Report* and *The Atlantic*, decided late last week not to buy the news/nostalgia title. A DCI source said parent Hachette had threatened to fold *Memories* if the deal died; Hachette officials couldn't be reached. Separately, Mr. Zuckerman is developing a monthly family-oriented magazine with the working title of *Family Fun*, a source familiar with the plans said.

### Kellogg sues Texas

DALLAS—Kellogg is suing the Texas attorney general's office, six days after filing suit against Iowa's attorney general. The latest suit, filed in U.S. District Court here, asked that Attorney General Jim Mattox and the Texas health commissioner be restrained from acting against the labeling or distribution of the company's Heartwise cereal. Texas earlier complained that several facets of the original Heartwise package constitute a health claim. The Kellogg suit said the two parties reached agreement on the specifics, but disagreed on whether Kellogg should admit it vio-

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# NEWS SUMMARY

■ **Qantas** will call for bids on its $40 million-plus ad account next May, when Chiat/Day/Mojo's contract ends. **1**

■ **McDonald's** is testing a new diner concept and a rash of new menu items to spur further growth. **1**

■ **The weak U.S. dollar** is hurting many U.S. publications operating in Europe. **3**

■ **CBS is asking** a 5% premium for stand-alone 15-second commercials in prime time and daytime. **3**

■ **Pontiac's new campaign** will tell aging baby-boomers where they can still find excitement. **4**

■ **JCB Co.,** Japan's largest credit card issuer, is negotiating to enter the U.S. market. **12**

■ **Pet food sales** increased 4.8% to $6.21 billion last year, John C. Maxwell Jr. reported. **21**

■ **Pizza Inn** starts a new spot TV campaign today and says it will spend $15 million on advertising. **22**

■ **Newspaper ad rates** may rise 5% to 8% next year, with more package deals being offered. **24**

■ **Environmental concerns** have changed buying decisions for 82% of consumers, a survey says. **27**

■ **Brand equity** is becoming more important, N W Ayer says in a report on consumer aspirations. **28**

■ **Low-price cigarettes** are gaining market share, forcing full-price brands to increase promotional activity. **33**

■ **American Express Co.** is tying in with 15 retailers in a fourth-quarter promotion. **48**

■ **Time Warner** named Richard Heinemann to coordinate all group sales of Time Inc. Magazine Co. **49**

■ **Pillsbury's** promotion for the 25th anniversary of its Doughboy character will include a tie-in with Sears. **50**

■ **Green Cross** Certification Co., established with the help of four supermarket chains, has begun giving its environmental seal of approval to consumer products. **54**

■ **Creativity:** Minneapolis creative boutique Rice & Rice is profiled, as is New York's outspoken Ted Chin and London's wildman animator Oscar Grillo. (Creativity is an *Ad Age* supplement available on request. Contact Dave Kelley, *Advertising Age* Circulation, 965 E. Jefferson St., Detroit, 48207. 1-800-992-9970.) Starts after Page **32**

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# Mitsubishi's image is upwardly mobile

**By Cleveland Horton**

Mitsubishi Motor Sales of America's bid for the big time starts this week with a $120 million brand-building ad campaign designed to promote "the word."

The 1991 model year campaign from the Japanese automobile importer is designed to build awareness of the corporate name while touting individual models.

"People knew about specific Mitsubishi products—they knew about the Eclipse, and they knew about the Galant. But we were always grasping for some overall theme that pulled all of the Mitsubishi products together," said Mike Nash, VP-marketing services.

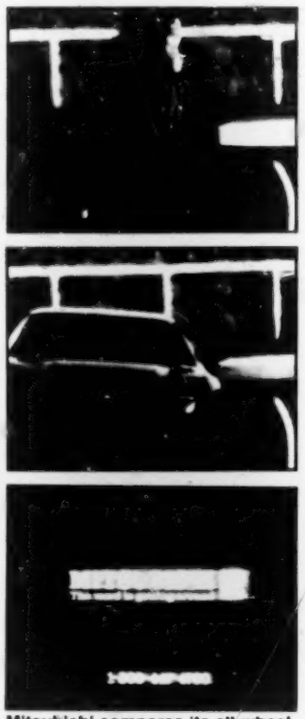
Ads introduce a new tagline, "Mitsubishi—the word is getting around." The approach is an effort to capitalize on the "surge" of accolades various Mitsubishi models have received in the press over the past two years, said Frances Oda, director of advertising.

Mitsubishi cars have appeared on various 10-best lists and won other recognition, such as the Galant earning *Motor Trend's* Import Car of the Year award in 1989.

Almost all the ads in the new campaign liberally use third-party endorsements—particularly from the automotive buff books. Grey Advertising, New York and Cypress, Calif., handles.

Mitsubishi used "Suddenly the obvious choice" as an umbrella theme in the 1989 model year but stopped using a tagline last year.

The new 3000 GT sports car will be the flagship in Mitsubishi's '91 ad lineup. A 30-second TV spot for the sleek two-seater opens with a shot of a jockey on a galloping racehorse rounding a turn on a turf track. The voice-over says: "Millions of years ago, nature created a vehicle that accelerates, steers and stops with all fours."



**Mitsubishi compares its all-wheel-drive 3000 GT to a horse in a new spot from Grey Advertising.**

Next, a 3000 GT comes barreling around the same turn. The voice-over continues: "That ingenious concept has now been engineered into a car. Introducing the Mitsubishi 3000 GT with all-wheel drive, all-wheel steering, all-wheel anti-lock brakes and 300 horsepower instead of just one."

Gatefold magazine ads promoting the 3000 GT are already appearing in auto buff books.

The 3000 GT spot will run in rotation with three other :30s separately featuring the Galant sedan, the U.S.-built Eclipse sporty car and the Montero sport utility vehicle.

In an unusual twist, several print ads for those models feature heavily footnoted headlines. But instead of the usual disclaimers, the footnotes appear as part of the regular text and expand on the key word in the head, usually with third-party endorsements.

As Mitsubishi broadens its full line of models, it's appealing to a new type of customer, Mr. Nash said. For example, the average income of a 3000 GT customer is $80,000 or more, while the top-of-the-line Galant model, the VR4, is expected to pull customers from the $75,000 average income bracket.

That's a far cry from the first Mitsubishi models introduced in late 1981, which were mostly low-price, fuel-efficient econo-boxes.

As a whole, the new campaign will present Mitsubishi as an up-and-coming car company, hoping to separate it from the second generation of Japanese imports such as Isuzu, Subaru and Suzuki and vault it into the top tier with Toyota, Honda, Nissan and Mazda.

The ad budget is a 20% hike over 1990's estimated $100 million, and that's part of the strategy to push Mitsubishi past Mazda Motors of America, the No. 4 Japanese importer.

Mitsubishi has narrowed the gap already this year. For the first seven months of 1990, it sold 101,388 cars compared with Mazda's 139,442. In the same period last year, Mitsubishi sold 55,847 cars, compared to Mazda's 134,320.

With the change in Mitsubishi's target customer, media buys for the model '91 effort are designed to reach affluent males. □

# Sears trims direct mail

**By Kate Fitzgerald**

Sears, Roebuck & Co. is cutting its direct marketing budget, a move that's led to layoffs at one agency and is making other agencies nervous.

Rapp Collins Marcoa, Chicago, recently dismissed three or four of its 90 staffers due to Sears' cutbacks, said agency President David L. King.

"The volume of direct marketing programs we work on for Sears has been reduced substantially, and we've had to let people go," he said. "We understand it's affecting several other agencies working on related business as well."

He wouldn't name the agencies.

Rapp Collins handles direct mail campaigns and advertising stuffers in monthly billing statements for Sears.

A source at another agency said Sears had curtailed much of the shop's direct marketing project work for the retailer, but there were no layoffs.

Craig Thomas, president of Stone & Adler, said his agency has experienced no changes in its business with Sears. The shop handles direct marketing for the Shop at Home service and does occasional catalog and stuffer work.

"Direct marketing can be a very uncertain business, so I can't say we don't anticipate any changes, but at this point we've had none," Mr. Thomas said.

Ogilvy & Mather Direct, Sears' largest direct marketing agency, wouldn't comment.

A Sears spokeswoman denied the company's direct marketing programs have been curtailed.

"We have no plans to change our direct marketing budgets for the remainder of the year, although we are always looking at ways to increase our profitability through direct mail and billing statement stuffers," said Kathy Gucfa, public relations spokeswoman for the Sears Merchandise Group.

Sears is considering substituting its monthly billings statement stuffers with a less costly monthly newsletter, but a final decision hasn't been made, she said.

Changes in Sears' ad budget may not be limited to direct marketing.

Even though Ogilvy & Mather, Chicago, is Sears' agency of record, Tom Morris, VP-marketing at the merchandise group, has recently held exploratory discussions with other shops. The agencies initiated the discussions.

Mr. Morris met last month with Ketchum Advertising/USA President Robert Kroyer about what Mr. Kroyer called "possible new-business opportunities." Mr. Kroyer said he made the visit on behalf of the agency's Chicago office, Ketchum/Mandabach & Simms. Two other agencies also have been allowed to talk to Sears.

Sears said no review of its main ad agency is in progress.

Retail industry experts say it won't be long before Sears starts to cut its ad budget.

The company as a whole increased measured media spending by 34% to $525 million in 1989 to support its huge "everyday low price" promotion, along with the introduction of national brand names in all departments. Spending was expected to be about the same this year.

The merchandise group's sales have been flat this year. □

# Pet food sales

Dollar amounts are in millions. 1989 figures are estimates.

| *Canned cat food* | Marketer | 1988 | 1989 |
|---|---|---|---|
| 9 Lives | Heinz | $253.3 | $270.0 |
| Friskies Buffet | Carnation | 210.0 | 255.0 |
| Whiskas | Kal Kan (Mars) | 262.0 | 250.0 |
| Fancy Feast | Carnation | 152.3 | 168.0 |
| Amore | Heinz | 100.0 | 100.0 |
| Purina Premium | Ralston Purina | 88.5 | 91.3 |
| Sheba | Kal Kan (Mars) | 28.0 | 45.0 |
| Kozy Kitten | Heinz | 25.0 | 40.0 |
| Puss 'n Boots | Quaker Oats | 22.0 | 24.9 |
| Alpo Premium | Alpo (Grand Met USA) | — | 17.7 |
| Fresh Catch | Carnation | — | 8.6 |
| Unique | Ralston Purina | 5.0 | 8.3 |
| Bright Eyes | Carnation | 12.0 | 7.8 |
| 9 Lives Kitten Dinners | Heinz | — | 4.5 |
| Twin Pet | Allied | — | 3.0 |
| Catviar | Ralston Purina | 10.5 | 5.0 |
| Kitty | Allied | — | 3.0 |
| Naturally Twin | Allied | — | 2.5 |
| Tabby | Alpo (Grand Met USA) | 1.0 | 0.3 |
| All others | | 91.4 | 46.1 |
| **Total** | | **$1,261.0** | **$1,351.0** |

| *Dry cat food* | | | |
|---|---|---|---|
| Cat Chow | Ralston Purina | 152.0 | 149.5 |
| Friskies | Carnation | 96.0 | 116.0 |
| Meow Mix | Ralston Purina | 86.5 | 86.0 |
| Whiskas | Kal Kan (Mars) | 65.0 | 80.0 |
| 9 Lives | Heinz | 55.0 | 55.4 |
| Kozy Kitten | Heinz | 40.0 | 55.0 |

| *Dry cat food (cont'd)* | Marketer | 1988 | 1989 |
|---|---|---|---|
| Alley Cat | Ralston Purina | $51.4 | $54.5 |
| Kitten Chow | Ralston Purina | 40.6 | 43.5 |
| Chef's Blend | Carnation | 39.5 | 38.5 |
| Special Dinners | Ralston Purina | 41.0 | 36.9 |
| Thrive | Ralston Purina | 35.8 | 24.2 |
| Smart Cat | Ralston Purina | 25.5 | 21.3 |
| Friskies Kitten Formula | Carnation | — | 10.0 |
| Kitten Chow Dairy Formula | Ralston Purina | — | 9.9 |
| Alpo Gourmet Dinner | Alpo (Grand Met USA) | — | 7.4 |
| Purina Select | Ralston Purina | — | 3.4 |
| Cat Chow Plus | Ralston Purina | — | 0.3 |
| All others | | 63.7 | 68.2 |
| **Total** | | **$792.0** | **$860.0** |

| *Moist cat food* | | | |
|---|---|---|---|
| Tender Vittles | Ralston Purina | 111.5 | 103.2 |
| Happy Cat | Ralston Purina | 48.4 | 38.1 |
| 9 Lives Tender Meal | Heinz | 27.0 | 25.0 |
| Moist Meals | Quaker Oats | 4.5 | 3.0 |
| Moist & Tender | Ralston Purina | 1.0 | 0.5 |
| All others | | 24.6 | 30.2 |
| **Total** | | **$217.0** | **$200.0** |

| *Cat treats* | | | |
|---|---|---|---|
| Pounce | Quaker Oats | 14.0 | 10.5 |
| Bonkers | Beatrice | 6.0 | 7.0 |
| 9 Lives Finicky Bits | Heinz | — | 3.5 |
| Whisker Lickins | Ralston Purina | — | 3.0 |
| Others | | — | 2.0 |
| **Total** | | **$20.0** | **$26.0** |

| *Dry dog food* | Marketer | 1988 | 1989 |
|---|---|---|---|
| Dog Chow | Ralston Purina | $255.0 | $260.8 |
| Puppy Chow | Ralston Purina | 155.0 | 150.0 |
| Alpo Beef Flavored Dinner | Alpo (Grand Met USA) | 113.5 | 117.3 |
| Gravy Train | Quaker Oats | 95.6 | 91.2 |
| Come N Get It | Carnation | 87.0 | 90.2 |
| Hi-Pro Dog Meal | Ralston Purina | 70.0 | 69.2 |
| Mealtime | Kal Kan (Mars) | 55.0 | 66.4 |
| Kibbles & Chunks | Ralston Purina | 72.0 | 63.3 |
| Field Trial [1] | American Pet | — | 50.7 |
| Cycle | Quaker Oats | 48.8 | 49.1 |
| Chuck Wagon | Ralston Purina | 51.0 | 47.5 |
| O.N.E | Ralston Purina | 50.0 | 47.2 |
| Grrravy | Ralston Purina | 43.0 | 47.0 |
| Mainstay | Ralston Purina | 46.0 | 41.2 |
| Hearty Chunks | Quaker Oats | 35.0 | 37.0 |
| Fit & Trim | Ralston Purina | 34.0 | 36.0 |
| Lucky Dog | Ralston Purina | 40.0 | 30.0 |
| Pro Plan | Ralston Purina | — | 28.0 |
| Purina Blends | Ralston Purina | 30.0 | 24.3 |
| Dad's [1] | Dad's Products | — | 23.6 |
| Sunshine [1] | American Pet | — | 21.4 |
| Trail Blazer [1] | Martha White | — | 20.2 |
| Jim Dandy Classic Dinner | Jim Dandy (Grand Met USA) | 11.5 | 15.6 |
| Atta Boy [1] | American Nutrition | — | 13.2 |
| Hunters Choice | Jim Dandy (Grand Met USA) | 13.0 | 12.8 |
| Prime | Ralston Purina | — | 12.5 |
| Puppy Chow Chewy Morsels | Ralston Purina | 15.0 | 12.5 |
| Friskies Dinner & Cubes | Carnation | 10.5 | 12.1 |
| Alpo Puppy | Alpo (Grand Met USA) | 9.0 | 11.4 |
| Field Master | Ralston Purina | 4.0 | 7.0 |
| Bench and Field [1] | Martin Field Mills | -- | 5.1 |
| Beef Complete | Ralston Purina | — | 4.8 |
| Tuffy | Heinz | 4.5 | 4.5 |
| Blue Mountain | Associated Products | 1.0 | 4.4 |
| Kasco | Piasa | 5.5 | 4.3 |
| Ken-L Ration Biskit | Quaker Oats | 6.0 | 3.7 |
| Bow Wow | Piasa | 5.5 | 2.8 |
| Field & Farm | Ralston Purina | 2.0 | 2.7 |
| Thrive | Ralston Purina | 6.0 | 2.5 |
| Sturdy | Heinz | 2.7 | 2.4 |
| Cadillac | Cadillac | 3.0 | 2.2 |
| Gravy Train Puppy | Quaker Oats | 4.0 | 2.0 |
| Strongheart | Strongheart | 1.0 | 1.6 |
| Meaty Meal | Heinz | 1.5 | 1.5 |
| Vets Nuggets | Heinz | 1.0 | 1.1 |
| Savor | Ralston Purina | 2.0 | 0.5 |
| Gaines Meal | Quaker Oats | 0.6 | 0.3 |
| All others | | 408.8 | 320.9 |
| **Total** | | **$1,799.0** | **$1,876.0** |

| *Canned dog food* | | | |
|---|---|---|---|
| Alpo | Alpo (Grand Met USA) | 262.0 | 273.5 |
| Kal Kan Pedigree | Kal Kan (Mars) | 220.0 | 260.0 |
| Mighty Dog | Carnation | 92.4 | 89.4 |
| Grand Gourmet | Carnation | 52.5 | 68.8 |
| Cycle | Quaker Oats | 65.0 | 60.5 |
| Skippy Premium | Heinz | 45.5 | 52.5 |
| King Kuts | Quaker Oats | 43.0 | 38.7 |
| Ken-L Ration | Quaker Oats | 45.0 | 35.8 |
| Pedigree Select Dinners | Kal Kan (Mars) | — | 36.0 |
| Recipe | Heinz | 23.5 | 24.0 |

| *Canned dog food (cont'd)* | Marketer | 1988 | 1989 |
|---|---|---|---|
| Vets | Heinz | $15.0 | $15.3 |
| Cadillac | Cadillac | 13.0 | 14.0 |
| Twin Pet | Allied Foods | 11.0 | 13.5 |
| Pedigree Choice Cuts | Kal Kan (Mars) | — | 11.5 |
| Alpo Puppy | Alpo (Grand Met USA) | 6.8 | 8.7 |
| Gravy Train | Quaker Oats | 9.0 | 7.5 |
| Blue Mountain | Alpo (Grand Met USA) | 7.5 | 7.0 |
| Strongheart | Strongheart | 7.5 | 5.0 |
| Skippy | Heinz | 6.8 | 4.1 |
| Reward | Heinz | — | 3.0 |
| Laddie Boy | Laddie Pet Food | 4.5 | 2.8 |
| Bone Appetite | Ralston Purina | 2.0 | 1.5 |
| MPS | Kal Kan (Mars) | 0.5 | 0.7 |
| All others | | 57.0 | 26.2 |
| **Total** | | **$990.0** | **$1,060.0** |

| *Soft-dry dog food* | | | |
|---|---|---|---|
| Kibbles 'n Bits 'n Bits 'n Bits | Quaker Oats | 151.0 | 140.0 |
| Tender Chops | Quaker Oats | 56.1 | 50.5 |
| Moist & Chunky | Ralston Purina | 17.8 | 12.7 |
| Puppy Kibbles 'n Bits 'n Bits 'n Bits | Quaker Oats | 10.5 | 8.6 |
| Dinner Rounds | Heinz | 4.8 | 5.0 |
| Jim Dandy Tender Moist Chunks | Jim Dandy (Grand Met USA) | 1.8 | 3.2 |
| **Total** | | **$242.0** | **$220.0** |

| *Dog treats* | | | |
|---|---|---|---|
| Milk-Bone | RJR Nabisco | 163.7 | 167.7 |
| Jerky Treats | Heinz | 41.0 | 46.0 |
| Chew-eez, Wagtime, etc. [2] | Superior | 43.0 | 41.3 |
| Meaty Bones | Heinz | 35.5 | 37.0 |
| Bonz | Ralston Purina | 19.0 | 21.5 |
| Pup-peroni | Quaker Oats | 12.5 | 14.0 |
| Hearty Chews | Ralston Purina | 15.0 | 13.0 |
| Alpo Jerky | Alpo (Grand Met USA) | 13.0 | 12.5 |
| Alpo Snaps | Alpo (Grand Met USA) | 11.0 | 12.2 |
| Purina Biscuits | Ralston Purina | — | 12.0 |
| Beef Bites | Alpo (Grand Met USA) | 7.8 | 10.7 |
| Snausages | Quaker Oats | 9.3 | 10.0 |
| Ribz | Ralston Purina | — | 9.0 |
| Beggin' Strips | Ralston Purina | — | 7.0 |
| 100% Natural Treat | Quaker Oats | 7.0 | 4.5 |
| Stew Biscuits | Alpo (Grand Met USA) | — | 4.2 |
| Cheesedawgs | Ralston Purina | 5.4 | 3.5 |
| Marrow Bone | Kal Kan (Mars) | 1.0 | 2.0 |
| Say Cheese & Others [3] | Pet-Life | 0.8 | 1.2 |
| Recipe | Heinz | 1.2 | 0.8 |
| All others | | 23.8 | 19.9 |
| **Total** | | **$410.0** | **$450.0** |

| *Moist dog food* | | | |
|---|---|---|---|
| Moist & Meaty | Ralston Purina | 32.5 | 37.0 |
| Gaines-Burgers | Quaker Oats | 38.5 | 29.5 |
| Ken-L Ration Special Cuts | Quaker Oats | 17.4 | 14.5 |
| Ken-L Ration Burgers | Quaker Oats | 16.4 | 13.9 |
| Smorgasburger | Quaker Oats | 13.0 | 13.0 |
| Moist & Beefy | Quaker Oats | 9.5 | 8.0 |
| Top Choice | Quaker Oats | 13.8 | 7.6 |
| Prime/Puppy Choice | Quaker Oats | 1.2 | 0.8 |
| All others | | 49.7 | 40.7 |
| **Total** | | **$192.0** | **$165.0** |

[1] Products introduced before 1989, but data not available. [2] Superior products include Chew-eez, Wagtime Biscuits, Lickety Sticks, Glad-Wag and others. [3] Pet-Life products include Say Cheese, People Crackers, Loli Pups and Doggie Donuts. *Source:* Wheat, First Securities

# Pet food market stays flat

**By John C. Maxwell Jr.**

Retail dollar sales of pet food increased 4.8% to $6.21 billion i 1989, aided by an upscaling o the product mix.

Unit sales remained relativel flat, with a volume increase in ca food offsetting a volume declin in dog food.

An additional $1 billion in re tail sales is estimated to have bee made through specialty pet shop and veterinary practices, whic would boost total dollar sales t $7.2 billion. The $6.21 billion fig ure and adjusted 1988 figures at tempt to encompass sales throug mass merchandise and discount warehouse store channels, in ad dition to food stores.

Dollar sales increases should continue to outpace volum growth by a significant margi for the foreseeable future as pe food companies are aggressivel "trending up" with higher-pric product lines.

Cat food dollar sales growt outpaced dog food sales gain again, increasing 6.4% to $2.4 billion. Dog food dollar sales wer up 3.8% to $3.63 billion.

In the dog food category, sale in the dry, canned and treat seg ments all grew, while sales in th moist and soft-dry segments fell.

Dog treats gained 9.8% in sale to $450 million, on an estimate sales volume gain of 2% to 3% Much of this growth stemme from new products—Ralsto Purina Co.'s Purina Biscuits an Beggin' Strips did particularl well in their introductory year RJR Nabisco's Milk-Bone lin continues to dominate the seg ment.

Canned dog food had a 7.1% sales gain to $1.06 billion for th year on flat to marginally dow volume. Alpo Petfoods' Alp maintained its No. 1 position, bu Kal Kan Foods is first in overal corporate share with Pedigree an its new Pedigree Select Dinner and Pedigree Choice Cuts.

Dry dog food, up 4.3% to $1.8 billion in sales (on a 1% to 3% vol ume decline), is seeing an increas ing amount of sales though alter native channels such as discoun and feed stores.

Cat food sales volume increase only 1% to 2% last year, but sale gains should continue based o the growing number of cat owned as pets. Dry sales led th category with an increase of 8.6% to $860 million; volume moved u 3% to 4%. Canned cat food gaine 7.1% in sales to $1.35 billion a volume declined modestly.

Purina maintained its lead i the pet food industry with an esti mated 27.1% market share as th company's sales growth kept pac with the industry.

Carnation Co., in the No. 2 po sition, experienced a significan upward move to a 13.9% share i 1989 from 12.7% in 1988. Kal Ka and H.J. Heinz Co. are tied fo third with 12.1% each. Quake Oats Co. saw a sales decline o 10%, with market share droppin to 11% from 12.6%. [ ]

*Mr. Maxwell is with Wheat First Securities, Richmond, Va.*

# LETTERS

## Measuring event sponsorship

I'm always glad to see articles that point out the need for determining value in event marketing programs ("Sports sponsorship value measured," AA, Aug. 6), but unfortunately few have focused on a crucial point. The value of event programs cannot be measured by the same standards or methods applied to other media (i.e., 16 minutes, 36 seconds during the Indy 500 broadcast equals $5.83 million in media value) because events offer different types of marketing value.

Use of inappropriate measurement standards will only perpetuate the problem of companies using event marketing ineffectively. Too many companies treat the sponsorship buy as a passive media investment, rather than what it really is: the admission ticket to a defined target market and an opportunity to run an active, relevant campaign. Widespread use of a media-type valuation system will only prolong this costly misuse of event marketing.

What we've learned is that marketers who sponsor events successfully determine their own value standards. They take a long- and short-term look at their entire marketing plan and see how individual events could help them reach their goals. They measure value by determining how effective an event affiliation can be in contributing to their overall success.

In using event marketing effectively, related promotions, thematic ties, hospitality, sampling, new-business development and distribution drives all can be combined to form a value-added strategy, so that the actual event serves as the focal point for a much more complete marketing effort.

**Robert J. Mazzucchelli**
Exec. VP, Pinnacle Promotions
Alexandria, Va.

## Turf battles no solution

I find Keith Green's advice to creative people to get account people fired ("Account execs alerted," AA, Aug. 13) negative, inappropriate and unprofessional. His notion of supporting departmental "turf battles" in the interest of agency staffing efficiency is patently absurd.

The team spirit of cooperation across departments to reach the right solution in the interest of building both client and agency business should be maintained by all almost without exception. Petty individual and department ax-grinding is unacceptable.

Mr. Green is a perfect candidate for Ketchum's "Outward Bound" program, intended to "marry" account management and creative into a single team.

Finally, I am not "bashing" creative. I offer the same advice to any account person with this point of view about creatives.

**Janet V. Falvo**
VP-business affairs
Chapman Direct Advertising
New York

As an account exec, I have always believed that if anyone, of any capacity, is not contributing they should be sent packing. I have seen people with the title of creative director or copywriter contribute nothing, much in the same way Mr. Green sees account execs.

In many instances I have rewritten copy and adjusted layouts to accomplish agreed-upon objectives and meet client goals that have probably saved accounts. All account execs have talked their way around sub-par creative.

The name of the game is teamwork. If Mr. Green believes all his headaches lie within his account executives, he is either naive or void of top-notch account people.

**David S. Ruslin**
Account exec, Tracy-Locke
Princeton, N.J.

## Ain't right

Considering the well-publicized problems in educating our young people, shouldn't M&M/Mars be ashamed of the headline in this ad?

**Morden Swift**
Chicago

## Bargain spots

Thanks for your report on my *Advertising Age* Creative Workshop presentation on regional/local production of TV commercials (AA, Aug. 13). However, your reference to the Honda-on-the-wall commercial was my *expensive* example of separating from competition. My *inexpensive* example was the baby-plus-unmounted-Michelin-tire campaign.

Both commercials were shot by Henry Sandbank—but they are many thousands of dollars apart in production cost. The local/regional challenge is to look like the big boys on a bargain-basement production budget.

**Hooper White**
Hooper White Co.
Barrington, Ill.

## More advice for GM

Here is my "back-seat driver" advice to help Robert Stempel steer General Motors in the right direction (Automotive Marketing Report, AA, July 23).

Using a big felt marker, write (don't type) your new GM marketing commandment on a 8½- by 11-inch sheet of paper: "From this day on, we will not satisfy consumer expectations. We will surpass them." Don't forget to sign it.

Make 800,000 copies and distribute them to every member of the GM team. Also, give them purse/wallet/poster-size ones. Pins, pens, pencils would be good, too. Tag every free and paid media activity with it.

One last thing: Make sure you stand by your new marketing commandment.

**Michael Huet**
Director of marketing
Greiche & Scaff

## Carrie Nation mentality

After reading Fran Du Melle's recent tirade (Letters, AA, Aug. 6) against *Advertising Age's* editorial commendation of the Outdoor Advertising Association of America's new code, one has to wonder if singer Janet Jackson's vision of a "rhythm nation" has regressed to "Carrie Nation." Within Du Melle's "moral" arguments against free speech, she reveals an ill-advised political agenda fraught with censorship, intolerance and a degree of paternalism historically confined to an antebellum plantation overseer.

It only follows that professional communicators must now ask Du Melle: Exactly what is it about adult African-Americans, Hispanics and Asians that requires them to be protectively shielded from seeing commercial messages for tobacco products? What is it about adult women that requires society to protectively shield an entire gender from colors, logos, adult models and typeset taglines? And what is so "special" about adult Caucasian males that they—and they alone—are exempt from the anti-smoking brigade's protective custody? The only correct answer is "nothing at all."

It's obvious from Du Melle's letter that voluntary industry actions, such as the OAAA's new code, will always be met with immediate, knee-jerk derision by society's self-appointed "guardians." The last thing anti-smokers want are sound, reasonable industry solutions to the very concerns they themselves raised.

The bottom line, literally, in Du Melle's letter is a call for government censorship of any commercial communication. But even that draconian measure is but a mere pit stop on the anti-smokers' long march toward prohibition. Cooperative industry actions only get in their way.

**Thomas Lauria**
Assistant to the president
The Tobacco Institute
New York

## An outdoor principle

A number of years ago, John Connelly, the president of Donnelly Outdoor Advertising in Boston, told me his firm's guiding principle: "We always follow business, we never precede it." In other words, they sought new billboard locations only in areas that were already commercially developed.

If outdoor companies universally embraced and publicized such a principle, I am certain they would find significantly less public opposition to this much maligned medium.

**Edward S. Van Winkle**
Darien, Conn.

## FREEZE FRAME

"I'm trying to break my dependence on government support for the arts."

## CORRECTIONS & CLARIFICATIONS

- Gannett Outdoor operates about 32,000 outdoor boards in the U.S., not 532,000 as a chart stated (AA, Aug. 27, P. 3).
- Nielsen Marketing Research's ScanTrack service was introduced on a local basis in 1979, not 1987 as reported (AA, Aug. 6, P. 1).
- Castor Advertising Corp., New York, is the Hispanic agency for Anheuser-Busch's Budweiser brand (AA, Aug. 6, P. 20). Sosa & Associates is Hispanic agency for Bud Light and Bud Dry brands.
- Commercial Uniform Co.'s Boss Sportswear has a merchandise tie-in with Tri-Star Pictures' "Air America," not Hugo Boss Fashions as reported (AA, May 28, P. 58). □

When our viewers get back from whale watching and trout fishing, exercising and relaxing, wine tasting and pub crawling, yachting and canoeing, flying and gliding, hiking and walking, mountain climbing and cave exploring, speed boating and tubing, country clubbing and night clubbing, we'll deliver them to your door.

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